



SUCCESS STORIES

2016 Ginnie Mae Summit

Subservicing Oversight Plan

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Decision

Do you need sub-servicing?

- Why use a sub-servicer?
- Key Attributes
- How to evaluate/Monitor Performance

What's Forbidden?

4-2, (C): Non-delegable Responsibilities (07/01/16)

The Issuer may not delegate or transfer to others (through a power of attorney or otherwise) its obligation or authority to perform the following functions:

- (1) Both Ginnie Mae MBS Programs** (a) Withdraw funds from a P&I custodial account for any purpose, including making payments to security holders.
(b) Sign any certifications to Ginnie Mae required by this Guide, the Guaranty Agreement, or otherwise requested by Ginnie Mae, with the exception that an Issuer may delegate to a sub-servicer the authority to complete the monthly certification required by Chapter 17-5, Monthly Certification Requirements, or Chapter 35-12, Pool, Loan, and Participation Accounting and Reporting.
(c) Withdraw mortgage documents from the document custodian.
- (2) Ginnie Mae I MBS Program** (a) Sign checks to security holders and to Ginnie Mae; a sub-servicer may, however, prepare and distribute the checks to security holders and to Ginnie Mae.
(b) Sign remittance advice to security holders. (c) Remit guaranty fees to Ginnie Mae.
(d) Maintain the register of security holders.
- (3) Ginnie Mae II MBS Program** (a) Withdraw funds from the central P&I custodial account or any other P&I custodial account for any purpose.

So Who is on the Hook?

4-2, (B): Subservicing (07/01/16)

The Issuer remains fully responsible for the performance of any servicing functions that have been delegated to a sub-servicer. The Issuer is liable to Ginnie Mae for any representations or omissions submitted on its behalf by a sub-servicer, including those representations or omissions reflected on the Issuer's monthly report of pool and loan data to Ginnie Mae and on the Issuer's Monthly Reporting Certification in RFS.



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Oversight – Pool/Loan Lifecycle

- Boarding
 - Capacity
 - Data Integrity
- Reporting to Ginnie Mae
- Maintenance (Performing Loans)
 - Customer Service
 - Month to Month

Oversight – Pool/Loan Lifecycle (cont.)

- Delinquency
 - 30 day
 - 60 day
 - 90 day plus
 - Buyouts
- Loss Mitigation
 - Modifications
 - Foreclosure
 - Claims

Oversight Compliance

- Accounting Reconciliation
 - P & I
 - T& I
 - Clearing Accounts
 - Custodial Accounts
- Close-out
 - Maturity
 - Transfer
 - Capacity analysis
 - Data integrity analysis



Oversight Compliance (Part 2)

- Issuer Audit (on sight)
 - Issuer led
 - Ginnie Mae
 - Other
- Communication Plan
 - Issuer/Sub-servicer
 - Sub-servicer borrower



Exit Strategy

- Service Levels
- What Next?
- Anything else to consider?



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